UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

v.

KUN FUK CHENG,
a/k/a STEVEN CHENG,
JIN RONG CHENG,
a/k/a JOYCE CHENG,
and HUIT GUO,

Defendants.

Criminal No.: 04-CR-544 (NDNY)

PETITION OF THIRD PARTY OCWEN LOAN SERVICING, LLC ASSERTING INTEREST IN PROPERTY NOTICED FOR FORFEITURE

Petitioner OCWEN LOAN SERVICING, LLC by and through its attorneys, for its Petition pursuant to 21 U.S.C. § 853(n) alleges as follows:

1. Petitioner, Ocwen Loan Servicing, LLC ("Petitioner") is a corporation authorized to conduct business in the State of New York.

2. Petitioner is the servicer of a certain mortgage covering the premises described in **Exhibit "1"** attached hereto, and more commonly known as 1879 Central Avenue, Albany, New York 12205 ("property"), which is a property subject to the Court's preliminary order for forfeiture dated December 12, 2005 and filed with the clerk on February 9, 2006, and submits the following in support of its petition for adjudication of its interest of 1879 Central Avenue and for an amendment to the preliminary order, pursuant to 21 U.S.C. § 853(n) and Rule 32.2 of the Federal Rules of Criminal Procedure.

3. Petitioner's interest in the subject property is based on the following:

a. On or about September 24, 2002, Defendant Kun Fuk Cheng ("Cheng") duly executed and delivered to Delta Funding Corporation, for good and valuable consideration, a note in the original and principal sum of $105,000.00, with a fixed interest rate at 10.24% per annum (the "Note"). A copy of the Note is attached hereto as **Exhibit "2".**

b. On or about September 24, 2002, for the purposes of securing the payment amounts due under the Note, Cheng duly executed and delivered to Delta Funding Corporation a certain mortgage, covering 1879 Central Avenue, which was recorded in the Albany County Clerk's office on September 24, 2002 ("mortgage"). A copy of the mortgage is attached hereto as **Exhibit "3"**.

c. The Note required Cheng to make monthly payments of principal and interest in the amount of $947.94 beginning on November 1, 2002 and thereafter on the first day of each and every month thereafter.

d. On or about September 24, 2002, servicing of the Note was transferred from Delta Funding Corporation to Petitioner, effective November 1, 2002. A copy of the servicing transfer is attached hereto as **Exhibit "4"**.

e. Petitioner is the sole servicer of the Note and Mortgage.

f. Cheng defaulted under the terms of the Note by virtue of the fact that no monthly payments have been made on the Note as required since January 23, 2006.

g. The terms of the mortgage provide, in pertinent part, that the whole of the principal sum of the indebtedness secured by said mortgage and interest thereon together, together with all other sums due and payable thereunder, shall become due upon Cheng's failure to pay the debt as it becomes due.

5. There is, as of May 9, 2006, due and owing to Petitioner under the Note and mortgage, the following amount:

Principal:	$76,109.18
Interest:	$3,189.09
Miscellaneous:	$466.93
Total:	**$79,565.20**

Interest continues to accrue on the Note and mortgage at a rate of 10.34% per annum.

6. By virtue of the mortgage, Note and servicing transfer, Petitioner has proven its legal interest in 1879 Central Avenue and respectfully requests an adjudication of the validity of its interest in 1879 Central Avenue pursuant to 21 U.S.C. §853(n)2. Petitioner also submits that it has established, beyond a preponderance of the evidence, that it has a legal right, title or interest in 1879 Central Avenue that renders the Preliminary Order of Forfeiture invalid in whole or in part because said right, title and interest was vested in the Petitioner rather than Defendant Cheng, and was superior to any right, title or interest of defendant Cheng at the time of the commission of the acts which gave right to the forfeiture of 1879 Central Avenue under 21 U.S.C. Section 853. Lastly, Petitioner respectfully requests that the Court Amend its Preliminary Order of Forfeiture to account for Petitioner's interest in 1879 Central Avenue prior to entering a final order pursuant to Rule 32.3(c)2 of the Federal Rules of Criminal Procedure.

WHEREFORE, by reason of the foregoing, Petitioner respectfully prays that an order be entered:

(A) Adjudging and decreeing Petitioner Ocwen Loan Servicing, LLC's interest in the property subject to forfeiture known as 1879 Central Avenue, Albany, New York 12205 which is superior to any right, title or interest of Defendant Cheng at the time of the commission of any acts which gave rise to forfeiture;

(B) Adjudging and decreeing that the Preliminary Order of Forfeiture is invalid in whole or in part due to Petitioner Ocwen Loan Servicing LLC's interest in the property subject to forfeiture known as 1879 Central Avenue, Albany, New York 12205.

(C) Amending the Court's Preliminary Order of Forfeiture to account for Petitioner Ocwen Loan Servicing LLC's interest in a property subject to forfeiture known as 1879 Central Avenue, Albany, New York 12205; and

(D) For any such other and further relief as the Court may deem just and proper.

Dated: New York, New York
June 29, 2006

O'MELVENY & MYERS, LLP

By: ____________________
Claudia Ray
Bar No. 513798
Times Square Tower
7 Times Square
New York, NY 10036
(212) 326-2000

Attorneys for Petitioner
OCWEN LOAN SERVICING, LLC

EXHIBIT 1

CHICAGO TITLE INSURANCE COMPANY
SCHEDULE A DESCRIPTION

Title No.: T-02-38102

ALL THAT CERTAIN LOT, PIECE, OR PARCEL OF LAND with the buildings and improvements thereon erected, situate, lying and being in the Town of Colonie, formerly Town of Watervliet, County of Albany and State of New York, on the northeasterly side of Albany and Schenectady Turnpike Road, west of the Vly Road, being a part of Lot No. 4 on map made in 1869 by Gerrit T. Whitbeck, which map was duly filed in the Albany County Clerk's Office on the 21st day of December, 1885, premises hereby conveyed being more particularly bounded and described as follows, viz:

BEGINNING at a point in the northeasterly side or line of the Albany-Schenectady Turnpike Road where said line is intersected by the westerly line of a plot of land heretofore conveyed by Elijah Hudson Rider and Ruby V. Rider, his wife, to John G. Cipullo by deed dated July 6, 1937 and recorded July 7, 1927 in Albany County Clerk's Office in Book 797 of Deeds at page 6, said point of beginning being also 370 feet westerly from the southeasterly corner of said Lot No. 4 and runs from thence westerly and along the said northeasterly side or line of said Albany-Schenectady Turnpike Road, sixty-five (65) feet to the southeasterly corner of a plot of land heretofore conveyed by John D. Hartman and Emma I. Hartman, his wife, to John W. Finchout and Cora H. Finchout, his wife, by deed bearing date September 14, 1912 and recorded in Albany County Clerk's Office on December 4, 1912 in Book No. 614 of Deeds at page 35; running thence northerly and along the easterly line of land so conveyed to said John W. Finchout and Cora H. Finchout, his wife, one hundred fifty (150) feet; thence running easterly and parallel with the northeasterly side or line of Albany and Schenectady Turnpike Road, sixty-five (65) feet to a point one hundred fifty (150) feet northerly from the northeasterly side or line of said Albany and Schenectady Turnpike Road and running thence southerly and at right angles to the northeasterly side of said Albany-Schenectady Turnpike Road, one hundred fifty (150) feet to the northeasterly side or line of the Albany and Schenectady Turnpike Road at the point or place of beginning. The premises hereby conveyed being sixty-five (65) feet in width both front and rear and one hundred fifty (150) feet in depth.

EXHIBIT
2

NOTE

App #: 0209230790
Loan #: 0101738607
State: New York

Date: September 24, 2002

Property Address: 1879 Central Avenue, Albany, NY 12205
Address #2:
Address #3:

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $ 105,000.00 (this amount will be called "principal"), plus interest, to the order of the Lender.
The Lender is: DELTA FUNDING CORPORATION
I Understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder."

2. INTEREST

I will pay interest at a yearly rate of 10.340 %. Interest will be charged on unpaid principal until the full amount of principal has been paid.

3. PAYMENTS

I will pay 360 payments of $947.94 representing principal and interest beginning on 11/01/2002 and monthly thereafter. I will make these payments every month until I have paid all of the principal and interest and any charges, described below, that I may owe under this Note. Payments will be applied to interest before principal.
If ,on October 1, 2032 I still owe amounts under this Note, I will pay all those amounts, in full, on that date.
I will make my monthly payments at DELTA FUNDING CORPORATION
1000 WOODBURY ROAD
Woodbury, NY 11797
or at a different place if required by the Note Holder.

4. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments
If the Note Holder has not received the full amount of my monthly payments by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 2.000 % of my overdue payment but not less than U.S. $18.96 and not more than U.S. $ 18.96
I will pay this late charge only once on any late payment.

(B) Default
If I do not pay the full amount of each monthly payment on the date it is due, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount. I may be notified in writing about this default and how to cure it prior to acceleration. Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(C) Payment of Note Holder's Costs and Expenses
If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back for all of its costs and expenses to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

5. BORROWER'S PAYMENTS BEFORE THEY ARE DUE

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". When I make a prepayment, I will tell the Note Holder in a letter that I am doing so. A prepayment of all of the unpaid principal is known as "full prepayment". A prepayment on only part of the unpaid principal is known as a "partial prepayment".
The Note Holder will use my prepayments to reduce the amount of principal I owe under this Note.
The Debt secured by this mortgage may be prepaid, in whole or in part, at any time. However, should such prepayment be made within the first three years from the date of the loan, there shall be paid to the holder of this mortgage a sum equal to 5% of the amount prepaid.

You will have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". You may make a prepayment of up to 20% of the unpaid principal balance in any 12 month period before you would be subject to a prepayment penalty.

If I make a partial prepayment, there will be no delays in the due dates or changes in the amounts of my monthly payments unless the Note Holder agrees in writing to those delays or changes. I may make a full prepayment at any time. If I choose to make a partial prepayment, the Note Holder may require me to make the prepayment on the same day that one of my monthly payments is due. The Note Holder may also require that the amount of my partial prepayment be equal to the amount of principal that would have been part of my next one or more monthly payments.

6. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

I waive my rights to require the Note Holder to do certain things. Those things are: (A) to demand payment of amounts due (known as "presentment"); (B) to give notice that amounts due have not been paid (known as "notice of dishonor"); (C) to obtain an official certification of nonpayment (known as a "protest"). Anyone else who agrees to keep the promises made in this Note, or who signs this Note to transfer it to someone else also waives these rights. These persons are known as "guarantors, sureties and endorsers."

8. GIVING OF NOTICES

Any notice that must be given to me under this Note will be given by delivering it or by mailing it by certified mail addressed to me at the Property Address above. A notice will be delivered or mailed to me at a different address if I give the Note Holder notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3 above. A notice will be mailed to the Note Holder at a different address if I am given a notice of that different address.

9. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note (as described in Section 7 above) is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note. Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety or endorser of this Note (as described in Section 7 above) is also obligated to keep all of the promises made in this Note.

10. If I am in default for any reason, you have the right to demand payment of the entire amount I owe you. If Lender requires payment in full or in the event of a foreclosure action, I agree that whenever an attorney is used to obtain payment under or otherwise enforce this mortgage or to enforce, declare or adjudicate any rights or obligations under this mortgage or with respect to the mortgaged premises, whether by suit or by any other means whatsoever, reasonable attorneys' fees and disbursements incurred by the mortgagee in connection therewith shall be payable by me and shall be deemed to be part of the debt secured by this mortgage, and that such total amount shall be paid by me with interest, up to the day you actually receive such payment, even after a judgment of foreclosure and sale is granted; in the event of a default, the interest rate will be 16% per annum.

11. BANKRUPTCY

If I am permitted to cure a default of this Note or the Mortgage securing this Note pursuant to the United States Bankruptcy Code (Title 11 U.S.C.) or other applicable law, I specifically agree that the amount necessary to cure the default shall include the sum of all amounts past due under the terms of the Note and/or Mortgage, including all principal, interest, and late charges, and all amounts advanced by Lender pursuant to the terms of the Note and/or Mortgage, including all attorney's fees and interest rate required by the Note and/or Mortgage from the date on which I elect to cure the default to the date on which the default is fully cured. Nothing herein shall be construed to allow me any right to cure any default of the Note or Mortgage except as specifically authorized under the United States Bankruptcy Code (Title 11 U.S.C) or other applicable law.

12. APPLICATION OF PAYMENTS

Payments will be applied, when received, first to prepayment charges due under the Note; next to pay accumulated late charges under the Note; next to pay any payments due for taxes, insurance or other charges or advances necessary to protect Lender's security, next to interest and finally to principal.

13. DEFAULT IN THE PAYMENT OF THE LOAN AGREEMENT MAY RESULT IN THE LOSS OF THE PROPERTY SECURING THIS LOAN. UNDER FEDERAL LAW, YOU MAY HAVE THE RIGHT TO CANCEL THIS AGREEMENT. IF YOU HAVE THIS RIGHT, THE CREDITOR IS REQUIRED TO PROVIDE YOU WITH A SEPARATE WRITTEN NOTICE SPECIFYING THE CIRCUMSTANCES AND TIMES UNDER WHICH YOU CAN EXERCISE THIS RIGHT.

14. NOTE SECURED BY A MORTGAGE

This Note is a instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note.

Dated: September 24, 2002
Property Address: 1879 Central Avenue, Albany, NY 12205
Address #2:
Address #3:

Jin Rong Cheng
JIN RONG CHENG

KUN F. CHENG

____

____

NOTE

App #: 0209230790
Loan #: 0101738607
State: New York

Date: September 24, 2002

Property Address: 1879 Central Avenue, Albany, NY 12205
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1. BORROWER'S PROMISE TO PAY
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I Understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder."

2. INTEREST
I will pay interest at a yearly rate of 10.340 %. Interest will be charged on unpaid principal until the full amount of principal has been paid.

3. PAYMENTS
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I will make my monthly payments at DELTA FUNDING CORPORATION
1000 WOODBURY ROAD
Woodbury, NY 11797
or at a different place if required by the Note Holder.

4. BORROWER'S FAILURE TO PAY AS REQUIRED
(A) Late Charge for Overdue Payments
If the Note Holder has not received the full amount of my monthly payments by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 2.000 % of my overdue payment but not less than U.S. $18.96 and not more than U.S. $ 18.96
I will pay this late charge only once on any late payment.
(B) Default
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If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back for all of its costs and expenses to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

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The Note Holder will use my prepayments to reduce the amount of principal I owe under this Note.
The Debt secured by this mortgage may be prepaid, in whole or in part, at any time. However, should such prepayment be made within the first three years from the date of the loan, there shall be paid to the holder of this mortgage a sum equal to 5% of the amount prepaid.

If I make a partial prepayment, there will be no delays in the due dates or changes in the amounts of my monthly payments unless the Note Holder agrees in writing to those delays or changes. I may make a full prepayment at any time. If I choose to make a partial prepayment, the Note Holder may require me to make the prepayment on the same day that one of my monthly payments is due. The Note Holder may also require that the amount of my partial prepayment be equal to the amount of principal that would have been part of my next one or more monthly payments.

6. LOAN CHARGES
If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

7. BORROWER'S WAIVERS

I waive my rights to require the Note Holder to do certain things. Those things are: (A) to demand payment of amounts due (known as "presentment"); (B) to give notice that amounts due have not been paid (known as "notice of dishonor"); (C) to obtain an official certification of nonpayment (known as a "protest"). Anyone else who agrees to keep the promises made in this Note, or who signs this Note to transfer it to someone else also waives these rights. These persons are known as "guarantors, sureties and endorsers."

8. GIVING OF NOTICES

Any notice that must be given to me under this Note will be given by delivering it or by mailing it by certified mail addressed to me at the Property Address above. A notice will be delivered or mailed to me at a different address if I give the Note Holder notice of my different address.

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10. If I am in default for any reason, you have the right to demand payment of the entire amount I owe you. If Lender requires payment in full or in the event of a foreclosure action, I agree that whenever an attorney is used to obtain payment under or otherwise enforce this mortgage or to enforce, declare or adjudicate any rights or obligations under this mortgage or with respect to the mortgaged premises, whether by suit or by any other means whatsoever, reasonable attorneys' fees and disbursements incurred by the mortgagee in connection therewith shall be payable by me and shall be deemed to be part of the debt secured by this mortgage, and that such total amount shall be paid by me with interest, up to the day you actually receive such payment, even after a judgment of foreclosure and sale is granted; in the event of a default, the interest rate will be 16% per annum.

11. BANKRUPTCY

If I am permitted to cure a default of this Note or the Mortgage securing this Note pursuant to the United States Bankruptcy Code (Title 11 U.S.C.) or other applicable law, I specifically agree that the amount necessary to cure the default shall include the sum of all amounts past due under the terms of the Note and/or Mortgage, including all principal, interest, and late charges, and all amounts advanced by Lender pursuant to the terms of the Note and/or Mortgage, including all attorney's fees and interest rate required by the Note and/or Mortgage from the date on which I elect to cure the default to the date on which the default is fully cured. Nothing herein shall be construed to allow me any right to cure any default of the Note or Mortgage except as specifically authorized under the United States Bankruptcy Code (Title 11 U.S.C) or other applicable law.

12. APPLICATION OF PAYMENTS

Payments will be applied, when received, first to prepayment charges due under the Note; next to pay accumulated late charges under the Note; next to pay any payments due for taxes, insurance or other charges or advances necessary to protect Lender's security, next to interest and finally to principal.

13. DEFAULT IN THE PAYMENT OF THE LOAN AGREEMENT MAY RESULT IN THE LOSS OF THE PROPERTY SECURING THIS LOAN, UNDER FEDERAL LAW, YOU MAY HAVE THE RIGHT TO CANCEL THIS AGREEMENT. IF YOU HAVE THIS RIGHT, THE CREDITOR IS REQUIRED TO PROVIDE YOU WITH A SEPARATE WRITTEN NOTICE SPECIFYING THE CIRCUMSTANCES AND TIMES UNDER WHICH YOU CAN EXERCISE THIS RIGHT.

14. NOTE SECURED BY A MORTGAGE

This Note is a instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note.

Dated: September 24, 2002
Property Address: 1879 Central Avenue, Albany, NY 12205
Address #2:
Address #3:

Ji Rong Cheng

JIN RONG CHENG

KUN F. CHENG

ALLNOTE2

ALLONGE

RE: JIN RONG CHENG
KUN F. CHENG

LOAN #: 0101738607
APP #: 0209230790

PROPERTY ADDRESS: 1879 Central Avenue, Albany, NY 12205
ADDRESS #2:
ADDRESS #3:

PAY TO THE ORDER OF:

WITHOUT RECOURSE
DELTA FUNDING CORPORATION

BY ______________________________
CAROL HOLLMANN, VICE PRESIDENT

b_allong

ALLONGE

RE: JIN RONG CHENG
KUN F. CHENG

LOAN #: 0101738607
APP #: 0209230790

PROPERTY ADDRESS: 1879 Central Avenue, Albany, NY 12205
ADDRESS #2:
ADDRESS #3:

PAY TO THE ORDER OF:

WITHOUT RECOURSE
DELTA FUNDING CORPORATION

BY ______________________________

CAROL HOLLMANN, VICE PRESIDENT

b_allong

EXHIBIT
3

CERTIFIED TRUE COPY

Space Above This Line For Recording Data

MORTGAGE

Loan Number: 0101738607 MIN Number: 100076600012331447
App Number: 0209230790

WORDS USED OFTEN IN THIS DOCUMENT

(A) "Security Instrument." This document, which is dated September 24, 2002 will be called the "Security Agreement."

(B) "Borrower" JIN RONG CHENG and KUN F. CHENG

residing in 1881 Central Avenue, Albany, NY 12205 sometimes will be called "Borrower" and sometimes simply "I" or "me."

(C) "Lender." DELTA FUNDING CORPORATION will be called "Lender." Lender is a corporation or association which exists under the laws of the State of New York Lender's address is: 1000 WOODBURY ROAD Woodbury, NY 11797

(D) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888)679-MERS.

(E) "Note." The note signed by Borrower and dated September 24, 2002 will be called the "Note." The Note shows that I owe Lender One Hundred Five Thousand and No/100 Dollars (U.S. $ 105,000.00) plus interest. I have promised to pay this debt in monthly payments and to pay the debt in full by October 1, 2032

(F) "Property." The property that is described below in the section titled "Description of the Property," will be called the "Property."

(G) "Sums secured." The amounts described below in the section titled "Borrower's Transfer to Lender of Rights in the Property" sometimes will be called the "sums secured."

BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY

I mortgage, grant and convey the Property to MERS (solely as nominee for Lender and Lender's successors in interest) and its successors in interest subject to the terms of this Security Instrument those rights that are stated in this Security Instrument and also those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

(A) Pay all the amounts that I owe Lender as stated in the Note;
(B) Pay, with interest, any amounts that Lender spends under Paragraphs 2 and 7 of this Security Instrument to protect the value of the Property and Lender's rights in the Property; and
(C) Keep all of my other promise and agreements under this Security Instrument.

I understand and agree that MERS holds only legal title to the rights granted by me in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right:

a)to exercise any or all of those rights, including, but not limited to, the right to foreclose and sell the Property: and
b) to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

DESCRIPTION OF THE PROPERTY

I give Lender rights in the Property described in (A) through (J) below:

(A) (1) The Property which is located at 1879 Central Avenue, Albany, NY 12205
This Property is in Albany County. It has the following legal description:
See Schedule A Herein
District: Block: 1 Lot: 15 Section: 29.10

(2) The Property which is located at
This Property is in County. It has the following legal description:
See Schedule A1 Herein
District: Block: Lot: Section:

(3) The Property which is located at
This Property is in County. It has the following legal description.
See Schedule A2 Herein
District: Block: Lot: Section:

(B) All buildings and other improvements that are located on the Property described in subparagraph (A) of this section;
(C) All rights in other property that I have as owner of the Property described in subparagraph (A) of this section. These rights are known as "easements, rights and appurtenances attached to the Property";
(D) All rents or royalties from the Property described in subparagraph (A) of this section;
(E) All mineral, oil and gas rights and profits, water rights and stock that are part of the Property described in subparagraph (A) of this section;
(F) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subparagraph (A) of this section;
(G) All fixtures that are now or in the future will be on the Property described in subparagraphs (A) and (B) of this section;
(H) All of the rights and property described in subparagraphs (B) through (G) of this section that I acquire in the future;
(I) All replacements of or additions to the Property described in subparagraphs (B) through (H) of this section; and
(J) All of the amounts that I pay to Lender under Paragraph 2 below.

BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

PLAIN LANGUAGE SECURITY INSTRUMENT

This Security Instrument contains promises and agreements that are used in real property security instruments all over the country. It also contains promises and agreements that vary, to a limited extent, in different parts of the country. My promises and agreements are stated in "plain language."

I promise and I agree with Lender as follows:

1. BORROWER'S PROMISE TO PAY

I will pay to Lender on time principal and interest due under the Note and any prepayment and late charges due under the Note.

2. MONTHLY PAYMENTS FOR TAXES AND INSURANCE

(A) Borrower's Obligations

I will pay to Lender all amounts necessary to pay for taxes, assessments, leaseholds payments or ground rents (if any), and hazard insurance on the Property and mortgage insurance (if any). I will pay those amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless the law requires otherwise. I will make those payments on the same day that my monthly payments of principal and interest are due under the Note.

Each of my payments under this Paragraph 2 will be the sum of the following:
(i) One-twelfth of the estimated yearly taxes and assessments on the Property which under the law may be superior to this Security Instrument; plus
(ii) One-twelfth of the estimated yearly leasehold payments or ground rents on the Property, if any; plus
(iii) One-twelfth of the estimated yearly premium for hazard insurance covering the Property (if required); plus
(iv) One-twelfth of the estimated yearly premium for mortgage insurance (if any); plus
(v) One-twelfth of the estimated yearly premium for flood insurance (if required).

In accordance with applicable law, Lender will estimate from time to time my yearly taxes, assessments, leasehold payments or ground rents and insurance premiums. Lender will use existing assessments and bills and reasonable estimates of future assessments and bills. Lender may, at any time, collect and hold items under Paragraph 2 in an aggregate amount not to exceed the maximum amount that may be required for Borrower's account under the Real Estate Settlement Procedures Act of 1974, 12 USC 2601 et seq., and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that I will pay to Lender an additional sum equal to one-sixth of the aggregate amount of yearly payments under this paragraph 2 or a lesser amount if required by applicable law. This sum is known as the "reserve" or "cushion," and is permitted by RESPA for unanticipated disbursements or disbursements before my payments are available in the account. These amounts that I pay to Lender for these items under Paragraph 2 will be called the "Funds." These Funds may be commingled with the funds of the Lender unless the law requires otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with the loan, unless applicable law provides otherwise.

(B) Lender's Obligations

Lender will use the Funds to pay the above listed items. Lender will give to me, without charge, an annual accounting of the Funds. That accounting must show all additions to and deductions from the Funds and the reason for each deduction.

(C) Adjustments to the Funds

If Lender's estimates are too high or if taxes and insurance rates go down, the amounts that I pay under this Paragraph 2 will be too large. If this happens at a time when I am keeping all of my promises and agreements made in this Security Instrument, I will have the right to have the excess amount either promptly repaid to me as a direct refund or credited to my future monthly payments of Funds. There will be excess amounts if, at any time, the sum of (i) the amount of Funds which Lender is holding or keeping, plus (ii) the amount of the monthly payments of Funds which I still must pay between that time and the due dates of escrow items is greater than the amount necessary to pay the above listed items when they are due. If the Funds exceed the amounts permitted to be held by RESPA, Lender shall deal with excess funds as required by RESPA. If, when payments of these items are due, Lender has not received enough Funds to make those payments, I will pay to Lender whatever additional amount is necessary to pay those items in full. I must pay that additional amount in one or more payments as Lender may require, and permitted by RESPA.

If, when payments of escrow items are due, Lender has not received enough Funds to make those payments, I will pay to Lender whatever additional amount is necessary to pay the escrow items in full. I must pay that additional amount in one or more payments as Lender may require. When I have paid all of the sums secured, Lender will promptly refund to me any Funds that are then being held by Lender. If the Lender acquires the Property or the Property is sold, then immediately before the acquisition or sale, Lender will use any Funds which Lender is holding at that time to reduce the sums secured.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. APPLICATION OF BORROWER'S PAYMENTS

Unless the law requires otherwise, Lender will apply each of my payments under the Note and under Paragraphs 1 and 2 above in the following order and for the following purposes:
First to pay any prepayment penalties due under the Note;
Next, to pay late charges due under the Note;
Next, to pay the amounts due to Lender under Paragraph 2 above;
Next, to pay interest due; and
Last, to pay principal due.

4. BORROWER'S OBLIGATION TO PAY CHARGES, ASSESSMENTS AND CLAIMS

I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property. I will do this either by making the payments to Lender that are described in Paragraph 2 above or, if I am not required to make payments under Paragraph 2, by making the payments on time to the person owed them. (In this Security Instrument, the word "person" means any person, organization, governmental authority or other party.) If I make direct payments, then promptly after making any of those payments I will give Lender a receipt which shows that I have done so. If I make payment to Lender under Paragraph 2, I will give Lender all notices or bills that I receive for the amounts due under this Paragraph 4.

Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "lien." I will promptly pay or satisfy all liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior lien if: (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation; or (B) in good faith, I argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up; or (C) I secure from the holder of that other lien an agreement, approved in writing by Lender, that the lien of this Security Instrument is superior to the lien held by that person. If Lender determines that any part of the Property is subject to a superior lien, Lender may give Borrower a notice identifying the superior lien. Borrower shall pay or satisfy the superior lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. BORROWER'S OBLIGATION TO MAINTAIN HAZARD INSURANCE

I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable.

All of the insurance policies and renewals of those policies must include what is known as a "standard mortgagee clause" to protect Lender. The form of all policies and renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so. The amount paid by the insurance company is called "proceeds." I authorize the Lender to settle any claims and collect the proceeds on my behalf and use them to reduce the amount I owe to Lender under the Note and under this Mortgage (whether or not repairs have been made by me), or Lender may release the proceeds to me for use in the repair or restoration of the damaged Property. Lender may use the proceeds to repair or restore the Property or to pay the sums secured.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

If Lender acquires the Property under Paragraph 20 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the sums secured immediately before the Property is acquired by Lender or sold.

6. BORROWER'S OBLIGATION TO MAINTAIN THE PROPERTY AND TO FULFILL ANY LEASE OBLIGATIONS

I will keep the Property in good repair. I will not destroy, damage or substantially change the Property, and I will not allow the Property to deteriorate. If I do not own but am a tenant on the property, I will fulfill my obligations under my lease. I also agree that, if I acquire the fee title to the Property, my lease interest and the fee title will not merge unless Lender agrees to the merger in writing.

7. LENDER'S RIGHT TO PROTECT ITS RIGHTS IN THE PROPERTY: MORTGAGE INSURANCE

If: (A) I do not keep my promises and agreements made in this Security Instrument, or (B) someone, including me, begins a legal proceeding that may affect Lender's rights under the Note or in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation or to enforce laws or regulations), Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Note and Property. Lender's actions may include appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this Paragraph 7, Lender does not have to do so.

I will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 7. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the Note rate. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this paragraph. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law. Lender may require me to pay the premiums in the manner described in Paragraph 2 above.

8. LENDER'S RIGHT TO INSPECT THE PROPERTY

Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times.

9. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY

A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the sums secured. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, the amount that I owe to Lender will be reduced only by the amount of proceeds multiplied by the following fraction: (A) the total amount of the sums secured immediately before the taking, divided by (B) the fair market value of the Property immediately before the taking. The remainder of the proceeds will be paid to me.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the sums secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe the Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

10. CONTINUATION OF BORROWER'S OBLIGATIONS AND OF LENDER'S RIGHTS

(A) Borrower's Obligations

Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Security Instrument. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Security Instrument.

Lender may allow those delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Security Instrument, even if Lender is requested to do so.

(B) Lender's Rights

Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will have the right under Paragraph 19 below to demand that I make immediate payment in full of the amount that I owe to Lender under the Note and under this Security Instrument.

11. OBLIGATIONS OF BORROWER AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS

Any person who takes over my rights or obligations under this Security Instrument will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Similarly, any person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Security Instrument.

If more than one person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all sums secured. However, if one of us does not sign the Note: (A) that person is signing this Security Instrument only to give that person's rights in the Property to Lender under the terms of this Security Instrument; and (B) that person is not personally obligated to pay the sums secured; and (C) that person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights or to modify or make any accommodations with regard to the terms of this Security Instrument or the Note without that person's consent.

12. LOAN CHARGES

If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

EXHIBIT
4

Notice of Servicing Transfer:

Dated: September 24, 2002

You are hereby notified that the servicing of your mortgage loan, that is, the right to collect payments from you, is being assigned, sold, or transferred from DELTA FUNDING CORPORATION to Ocwen Federal Bank, effective November 1, 2002

The assignment, sale, or transfer of the servicing of the mortgage loan does not affect any term or condition of the mortgage instruments, other than terms directly related to the servicing of your loan. Except in limited circumstances, the law requires that the Lender send you this notice at least 15 days before the effective date of transfer, or at closing. Your new servicer must also send you this notice no later than 15 days after this effective date or at closing. In this case, all necessary information is combined in this one notice. Your Lender is: DELTA FUNDING CORPORATION

If you have any questions relating to the transfer, call Customer Service toll-free at 1-800-225-5335 (ext. 8888) between 9:00 A.M. and 5:00 P.M. Monday through Friday. Eastern Standard Time.

Your new servicer will be Ocwen Federal Bank. The mailing address for payments to your new servicer is: OCWEN FEDERAL BANK, P.O. Box 514577, Los Angeles, CA 90051.

The toll-free telephone number of your new servicer is 1-800-746-2936. If you have any questions relating to the transfer of servicing to your new servicer, call Ocwen's Customer Relations between Monday through Thursday 9:00 A.M. to 9:00 P.M., and Friday 9:00 A.M. TO 6:30 P.M. Eastern Standard Time.

NOTE: DELTA FUNDING CORPORATION will not be accepting payments from you as the transfer of servicing starts with your first payment. The date that your new servicer will start accepting payments from you is November 1, 2002 . Send all payments to your new servicer.

You should also be aware of the following information which is set out in more detail in section 6 of the Real Estate Settlement Procedures Act (RESPA) (12 USC 2605): During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your Lender before its due date may not be treated by the Lender as late, and a late fee may not be imposed on you. Section 6 of RESPA (12 USC 2605) gives you certain consumer rights. If you send a qualified written request to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgement within 20 business days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for the request. If you want to send a qualified written request regarding the servicing of your loan, it must be sent to this address:

Ocwen Federal Bank, FSB
12650 Ingenuity Drive
Orlando, FL 32826
Attn: Qualified Written Request

Not later than 60 business days after receiving your request, your servicer must make any appropriate corrections to your account, and must provide you with a written clarification regarding any dispute. During this 60-business-day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. However, this does not prevent the servicer from initiating foreclosure if proper grounds exist under the mortgage documents. A business day is a day on which the offices of the business entity are open to the public for carrying on substantially all of its business functions. Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that section. You should seek legal advice if you believe your rights have been violated.

AFFIDAVIT OF SERVICE

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Michael C. Montalto, being duly sworn, deposes and says:

1. I am not a party to this action, am over 18 years of age and reside in New Hyde Park, NY and am employed by O'Melveny & Myers LLP.

2. On JUNE 30th, 2006, I served a true copy of the PETITION OF THIRD PARTY OCWEN LOAN SERVICING, LLC ASSERTING INTEREST IN PROPERTY NOTICED FOR FORFEITURE on:

Mark E. Spund
Davidoff, Malito Law Firm
200 Garden City Plaza
Suite 315
Garden City, NY 11530

3. I made such service by personally depositing a true copy of the aforementioned document in a postpaid properly addressed wrapper into an official depository under the exclusive care and custody of the United States Postal Service within the State of New York.

Michael Montalto
License # 1142947

Sworn to before me this
30th day of June 2006

Notary Public

PATRICIA A. MCCABE
NOTARY PUBLIC, State of New York
No. 01MC4979287
Qualified in Nassau County
Commission Expires March 25, 2007

NY1:1649711.1